



Purchasing Manual

**LAUDERDALE
BY·THE·SEA**

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Section

I

AUTHORITY AND PURPOSE OF PURCHASING MANUAL

This Purchasing Manual sets forth the policies and procedures to be followed by Town employees whenever goods and/or services are being acquired or disposed of by the Town of Lauderdale-By-The-Sea, Florida (hereinafter “Town” or “Lauderdale-By-The-Sea”). The requirements contained in this Purchasing Manual shall be strictly adhered to. Non-compliance with the provisions of this Purchasing Manual may lead to disciplinary action.

The purpose of this Purchasing Manual is to set forth the procedures the Town employees or agents must follow to obtain the goods and services purchased by the Town while:

- complying with the legal requirements of public procurement,
- assuring vendors impartial equitable treatment,
- receiving maximum value for each public dollar expended,
- providing the proper quantity and quality of goods and/or services at the time and place required, and
- purchasing only properly authorized goods and/or services for which funds have been appropriated and not previously encumbered.

In any situation where compliance with this Purchasing Manual will place the Town in conflict with state or federal law, all Town employees shall comply with applicable federal or state law or authorized regulations that are mandatorily applicable regardless of whether they are reflected in this Purchasing Manual or are contrary to provisions of this Purchasing Manual.

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II

Definitions

For the purpose of these procedures the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural numbers include the singular number, words in the masculine gender include the feminine, and words in the singular number include the plural number. The word “shall” is always mandatory and not merely directory.

A. APPLICABILITY

As used throughout this Purchasing Manual the words and terms defined in this Section shall have the meanings set forth below unless the context in which they are used clearly requires a different meaning or a different definition as prescribed for a particular Section or portion thereof.

B. DEFINED TERMS

1. **Addendum** means a written or graphic instrument issued prior to the opening of bids or proposals which clarifies, corrects or changes the bidding documents or contracts.
2. **Award** means the acceptance of a bid, offer, or proposal by the proper Lauderdale-By-The-Sea authority per Section III below.
3. **Best Interest of Lauderdale-By-The-Sea** means an assessment based on available information has been made by executive personnel or the Town Commission of what will result in the maximum benefit being conferred upon Lauderdale-By-The-Sea.
4. **Bid Bond** means a form of bid security executed by the bidder as principal and by a surety to guarantee that the bidder will enter into a contract within a specified time and furnish any required performance bond.
5. **Bidder** means a person or organization making a formal offer to sell or provide services to the Town in response to an Invitation to Bid, Request for Proposal (RFP), Request for Qualifications (RFQ) or request for Letters of Interest (LOI).
6. **Blanket Purchase Order** is a purchase order that covers the purchase of supplies of a like nature for a stipulated period of time (e.g. 12 months).

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7. **Brand Name or Equal Specification** means a specification limited to one or more items by manufacturers' name or catalog number to describe the standard of quality, performance or other prominent characteristic needed to meet Lauderdale-By-The-Sea requirements.
8. **Capital Purchases** means all tangible personal property having an original acquisition cost of five thousand dollars (\$5,000.00) or more per unit and a life expectancy of more than two years, including, but not limited to, the purchase of software.
9. **Change Order** is a written order amending a purchase order to correct errors, omissions, discrepancies, acceptable overruns, freight costs; incorporate requirements to expand or reduce the scope of goods or services ordered; or to direct other changes in contract execution to meet unforeseen field, regulatory or market conditions.
10. **Commodities** include but are not limited to goods, equipment, materials and printing which is purchased, leased or otherwise contracted for by Lauderdale-By-The-Sea.
11. **Competitive Bids or Competitive Offers** means bids or offers submitted by responsive qualified bidders or respondents.
12. **Construction** means the process of building, altering, repairing, improving or demolishing any structures, buildings or improvements to real property. It does not include the routine operation, repair or maintenance on existing structures, buildings or real property.
13. **Consultant's Competitive Negotiations Act (CCNA)** is the common name for *Section 287.055 of the Florida Statutes* concerning the procurement of Architectural, Engineering (including testing), Landscape Architecture and Registered Surveying and Mapping Services.
14. **Contractor** means any person or business having a contract with Lauderdale-By-The-Sea to perform a service or sell a product (aka **vendor**).
15. **Contractual Services** means the rendering of a contractor of their time and effort rather than the furnishing of specific commodities, materials, goods, equipment and other personal property. The term applies only to those services rendered by individuals and/or firms who are independent contractors, other governmental agencies or non-profit organizations who provide services on a contractual basis such as the Florida League of Cities, counties or municipalities.
16. **Cooperative Purchasing** means procurement activities and contracts conducted by, or on behalf of, more than one governmental entity.

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17. **Debarment or Suspension** means the disqualification of a business or person from receiving or responding to invitations for bids, requests for proposals or the award of contracts by Lauderdale-By-The-Sea because of previous illegal or irresponsible action or the failure or the inadequacy of performance.
18. **Designee** means a duly authorized representative of a person holding a management position.
19. **Emergency Purchase** means a purchase made to alleviate a situation in which there is a threat to health, welfare, property, or safety that does not allow for the normal, competitive purchasing procedures under certain conditions defined as an emergency by the Town .
20. **Environmentally Preferable Purchasing** means considering factors of sustainability and environmental impact, i.e. the use of natural products, energy savings potential, the durability of the product in the Town's coastal environmental conditions in making procurement decisions and awards.
21. **Governmental Agency** means any agency of the Federal, State, or any local government or local governmental entity.
22. **Invitation to Bid** means a written solicitation for competitive sealed bids with the title, date, and hour of the public bid opening designated and specifically defining the commodities or contractual services for which bids are sought. The invitation for bid will be used when Lauderdale-By-The-Sea is capable of specifically defining the scope of work for which a contractual service is required or is capable of establishing precise specifications defining the actual commodities required. The invitation to bid will include instructions to bidders, plans, drawings and specifications, if any, a bid form and other required forms and documents to be submitted with the bid.
23. **Lauderdale-By-The-Sea** means the Florida Municipal Corporation known as the Town of Lauderdale-By-The-Sea.
24. **Letter of Interest (LOI):** a method of selecting a vendor whereby all vendors are invited to submit a summary of their qualifications and state their interest in performing a specific job or service.
25. **Mandatory Bid Amount** means the dollar threshold at which the formal bid process is required. The acquisition of any commodity or service may not be divided to circumvent the requirement of the Mandatory Bid Amount.
26. **Negotiations for Professional Service** means the act of determining terms, conditions and prices for the performance of professional services.
27. **Notice of Award** means the written notice by Lauderdale-By-The-Sea to the apparent, successful bidder or offeror.

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28. **Open-End Contract** means a funded contract whereby an indefinite quantity of supplies, services, or constructions are to be procured over an identified time span when needed.
29. **Open-End Purchase Orders** means a purchase order whereby a vendor provides supplies, services, or construction on demand or on a prescribed schedule. An Open-End Purchase Order may be used as a release and encumbrance document to authorize procurement of any predetermined amount from an open-end contract on an as-needed basis.
30. **Performance/Construction Bond** means a bond of a contractor/vendor in which a surety guarantees to Lauderdale-By-The-Sea that the work/services of that contractor or vendor will be performed in accordance with the contract documents. At the discretion of Lauderdale-By-The-Sea, where not prohibited by other law, an irrevocable letter of credit issued by a financial institution may substitute for a performance/construction bond.
31. **Procurement** is the buying, purchasing, renting, leasing or otherwise obtaining any commodities, services, construction or any other item(s) including description of requirements, selection and solicitation of sources, preparation and award of contracts and all phases of contract administration.
32. **Professional Services** means any services where Lauderdale-By-The-Sea is obtaining advice, instruction or specialized work from a person or firm. Professional services may include an oral report or written advice. Because the main thrust of the service is not considered labor, but the exercise of intellectual ability, the procurement of professional services does not lend itself to normal competitive bidding and price competition alone. These services may be procured by Requests For Proposals, Letters of Interest, or Requests for Qualifications and selected through Competitive Selection and Negotiation or at the Town Manager's discretion on an as-needed basis.
33. **Purchase Order** means a Lauderdale-By-The-Sea document to formalize a purchase transaction with a vendor conveying acceptance of a vendor's proposal. The purchase order should contain statements as to quantity, description and price of the supplies, services or construction ordered and applicable terms as to payment, discounts, date of performance, transportation, insurance and other factors.
34. **Purchasing Administrator** means the principal Lauderdale-By-The-Sea purchasing official designated by the Town Manager as responsible for the procurement, management, and disposal of commodities in accordance with the policies contained in this Purchasing Manual.
35. **Quotation** means an informal (verbal) or formal (written) notice by a vendor to Lauderdale-By-The-Sea stating the prices, terms and conditions under which they will furnish certain goods or services.

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36. **Request for Proposals (RFP)** means all documents whether attached or incorporated by reference for soliciting sealed proposals, including any addenda. An RFP is characterized by a description of the desired product or service and a description of the process for evaluating vendor responses.
37. **Request for Qualifications (RFQ)** – Formal invitation from Lauderdale-By-The-Sea to vendors to submit a statement of qualifications. The RFQ identifies the desired minimum qualifications of the individual(s) or firm(s), a scope of work statement, and any project requirements, and indicates selection criteria that will be used in compiling the short list of prospective firms for further consideration.
38. **Responsible Bidder or Responsible Offeror** means an individual or firm who has submitted a bid that conforms in all material respects to the invitation to bid or request for proposals and who has the capability in all respects to perform fully the contractual requirements and the tenacity, perseverance, integrity, experience, ability, reliability, capacity, facilities, equipment, financial resources and credit which will give reasonable expectation of good faith performance.
39. **Selection and Negotiation Committee** is a group of persons appointed by the Town Manager to rank in preferential order those professional firm(s) or individual(s) interested in providing services on a particular project and/or to negotiate a final contract with the highest ranked firm.
40. **Services** means the furnishing of labor, time and effort by a contractor not involving the delivery of a specific end product other than reports which are merely incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements.
41. **Short Listing** is a process by which the number of responsive candidates or firms is reduced to a manageable number for more detailed evaluation by a ranking of the candidates or firms by an evaluation committee. **Short List** means the names of candidates or firms that have been selected for further consideration for award of the contract from a considerably longer list of responsive offerers.
42. **Specification** means any description of the physical or functional characteristics or of the nature of a supply, service or construction item. It may include a description of any requirement for inspecting, testing or preparing a supply, service or construction time for delivery. Specifications may also contain provisions for inclusion of factors which will lead to the ultimate calculation of the lowest total cost. All specifications shall seek to promote overall economy for the purpose intended and encourage competition in satisfying Lauderdale-By-The-Sea's needs and shall not be unduly restrictive.
43. **Sole Brand** means the only known brand capable of fulfilling Lauderdale-By-The-Sea's needs.

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44. **Sole Source** means only one vendor possesses the unique and singularly available capability to meet the requirements of the solicitation, such as technical qualifications, ability to deliver at a particular time, services from a public utility or a situation where a particular supplier or person is identified as the only qualified source available to the requisitioning authority.
45. **State Contracts** are term contracts released by the State of Florida Department of Management Services' Purchasing Division or any other State of Florida Agency (such as Department of Highway Safety and Motor Vehicles, or a state university) that may be utilized at the option of local government agencies.
46. **Surety** means an organization which, for consideration, promises in writing to make good the debt or default of another. The surety must hold a certificate of authority as an acceptable surety on federal bonds published in the current Circular 570, United States Department for the Treasury and the Federal Register effective July 1 annually, as amended.
47. **Surplus Property** means any property belonging to Lauderdale-By-The-Sea, which is capable of being used, but is in excess of the normal operating requirements of Lauderdale-By-The-Sea. This property may be disposed of by auction or other means which proves to be the most beneficial to Lauderdale-By-The-Sea as determined by Section V. below.
48. **Town** means the Lauderdale-By-The-Sea municipal government.
49. **Town Manager** means the individual appointed by the Town Commission as the administrative head of the Lauderdale-By-The-Sea municipal government.
50. **Town Commission** means the elected legislative body of the Lauderdale-By-The-Sea municipal government.

End of Section II

Section

III

GENERAL POLICIES

A. OVERALL PURCHASING REQUIREMENTS

1. General Purchasing Policies apply to all procurement of goods, construction, and/or services by the Town unless specifically excluded as described under Section IV of this manual.
2. ***The known or anticipated annual purchasing requirements shall not under any circumstances be subdivided into smaller quantities to circumvent the purchasing authority thresholds, the appropriate vendor selection process or any other provision of this Purchasing Manual.***
3. Vendors may not attempt to secure favoritism in the expenditure of public funds by offering bribes, gifts or providing entertainment to Town employees/officials having the ability to influence vendor selection decisions.

Town employees/officials or their spouse, dependent, partner, or a subordinate of any Town employee/official shall not, at any time, accept any compensation, payment, or thing of value when such officer or employee knows, or, with the exercise of reasonable care, should know, that it was given to influence a vote or other action in which the Town officer/employee was expected to participate in his or her official capacity.

There shall be inserted in all contracts, and Town contractors shall be required to insert in all subcontracts, the following provision: “No officer or employee of the Town during his or her term of employment or for one year thereafter, shall have any interest, direct or indirect, in this contract or the proceeds thereof.”

4. The Town shall not knowingly acquire goods, property, and/or services from vendors who have been found guilty of a “public entity crime” as defined in *Section 287.133 of Florida Statutes*. Accordingly, vendors covered by *Section 287.133 of Florida Statutes* will provide to the Town a sworn statement as required by that statute.

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5. Procurements for the personal use or benefit of Town officials/employees are prohibited. Town officials/employees are also prohibited from using the Lauderdale-By-The-Sea name or the official's/employee's position to obtain special consideration in personal purchases, however this prohibition shall not apply to discounts or offers extended to government employees and officers in general (e.g. discounts offered at amusements parks or hotels).
6. The Town is exempt from paying all local and state sales taxes, as well as Federal Excise taxes. The Town's Finance Director will provide the necessary exemption documents to any vendor upon request. Thus, Town officials/employees should make every effort to ensure that sales/excise taxes are not charged by the vendor.
7. If an item covered by a properly authorized Purchase Order cannot be supplied by the selected vendor in the required timeframe, the substitution of a suitable equivalent item may be approved using the Change Order procedures described in Section III.
8. Should the selected vendor fail to meet any specified requirement of a procurement, the vendor can be cited for non-performance. The seriousness of non-performance must be evaluated, in coordination with the Town Attorney, based on the circumstances surrounding each violation. However, there should always be some recourse for the Town when a vendor fails to perform in accordance with the terms and conditions.

These recourses include, but are not limited to:

- a. The Town may exercise its rights under a liquidated damage clause or under the terms of a performance bond.
 - b. The Town may obtain the needed items from another source and charge the delinquent vendor the excess difference in cost.
 - c. The Town Manager or designee may terminate the contract for default if it is in the best interest of the Town.
9. Whenever two or more bids, proposals, or replies that are equal with respect to price, quality, and service are received by the Town for the procurement of commodities or contractual services, a bid, proposal, or reply received from a business that certifies in accordance with *Florida Statutes Section 287.087* that it has implemented a drug-free workplace program shall be given preference in the award process.

Additionally, if two (2) or more vendors are tied as to quality, delivery times, and price, the tie may be broken and the vendor selected based on the location of the vendor's actual operations. The local preference shall favor first vendors conducting actual business operations from a facility/office physically located within the municipal boundaries of the Town.

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If none of the vendors so qualifies, then favor shall be shown to vendors conducting actual business operations from a facility/office physically located within Broward County.

If none of the vendors so qualifies, then favor shall be shown to vendors conducting actual business operations from a facility office physically located within the State of Florida. Preference for Florida-based vendors is required by *Florida Statutes Section 255.04* when erecting or constructing any public administrative or institutional building. Preference for Florida-based vendors of commodities is provided for in *Florida Statutes Sections 287.082, 287.084, and 287.092*. However, the Town shall not show preference to vendors solely on the basis of being minority business enterprises under *Florida Statutes Sections 287.093 and 287.0931*.

10. No obligations for expenditures of Town funds may be incurred except pursuant to, and only to the extent of, a specific appropriation of funds in the Town Commission-Adopted Town budget. This provision shall apply, without being limited to, any formal or informal contractual obligation (e.g., Purchase Order) for the purchase or lease of supplies, services or equipment. No money may be drawn from the Town treasury, nor may the appropriate Town officials execute any check, draft, warrant, note, contract or other negotiable instrument, except pursuant to, and only to the extent of, a specific appropriation of funds in the budget to be used for such payment or procurement. Accordingly, the availability of funds must be approved by the Finance Director or designee before the Town is contractually obligated to any procurement.
11. The Broward County Code of Ethics, Section 1-19 of the Broward County Code of Ordinances generally prohibits Town Commissioners from receiving gifts from vendors, contractors, lobbyists and potential suppliers of goods and services to the Town, and from being involved in procurement matters. Anyone seeking to lobby the Town on any matter must register as a Town lobbyist pursuant to Section 2-1 of the Town's Code of Ordinances, and follow the other regulations and prohibitions of that section of Code. Anyone who seeks to do business with the Town must conform to all of the detailed requirements of these County and Town ethics regulations.

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B. PURCHASING APPROVAL AUTHORITY

The approval authority established by the Town Commission to procure goods or services is based on the estimated cost of the goods and services as follows:

APPROVAL	DOLLAR THRESHOLD
Department Director	Up to \$ 5,000.00
Finance Director or Assistant Town Manager	Up to \$10,000.00
Town Manager	Up to \$15,000.00
Town Commission	\$15,000.01 and above

Purchases shall not be artificially divided for the purpose of avoiding having the correct person authorize the purchase.

C. VENDOR SELECTION METHODS

Guidelines

There are five vendor selection methods used by the Town:

- Quotes,
- Invitations to Bid (**ITB**),
- Requests for Proposals (**RFP**),
- Requests for Qualifications (**RFQ**), and
- Letters of Interest (**LOI**).

The use of a particular vendor selection method depends on the dollar amount of the purchase, the procurement goals of the Town and any applicable state law requirements. Exceptions to the required vendor selection methods are permitted in specific instances (See Section IV of this manual) or when pre-approved by the Town Manager in emergency situations.

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<u>VENDOR SELECTION PROCESS</u>		
	AMOUNT	REQUIRED DOCUMENTATION
Quotes	Up to \$2,000.00	Not subject to bids/quotes
	\$2,000.01 to \$4,999.99	Two verbal documented quotes. (1)
	\$5,000 to \$9,999.99	Three verbal documented quotes (1)
	\$10,000 to \$20,000.00	Three written quotes
Formal Competitive Selection	Above \$20,000.00	ITB, RFP, RFQ, LOI
(1) The vendor selected must confirm their verbal quote in writing prior to the issuance of a purchase order.		

1. **QUOTES** are normally used when the expected cost of goods or services is twenty thousand dollars (\$20,000) or less.
 - a. Printed documentation from a website can be utilized as a written or verbal quotation of pricing for items that can be procured through the internet.
 - b. Shipping costs should be included in the determination of the lowest quote.
 - c. If the Town has requested quotes from multiple companies that can supply the required product but, despite at least two requests, the required number of vendors do not respond with a quote, the attempts to obtain additional quotes shall be documented. In such cases, the Town Manager may waive the requirement for a minimum number of quotes.

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- d. If quotes were obtained for an item within the preceding twelve months, subsequent purchases can be made of that item from the winning supplier without obtaining additional quotes if the price has not increased. For any procurement, the Town Manager has the discretion to impose additional purchasing requirements.

2. **FORMAL COMPETITIVE VENDOR SELECTION METHODS**

Unless waived by the Town Commission, procurements above twenty thousand dollars (\$20,000) shall be made through a formal competitive selection process.

Pre-Release Requirements.

Prior to the release of any ITB, RFP, RFQ, or LOI that the Town staff anticipates will result in a purchase in excess of the Town Manager's purchasing authority, a draft copy of the document(s) shall be sent to the Town Clerk for distribution to the Town Commission no less than one week in advance of publication of the solicitation.

The Purchasing Administrator will determine, after consultation with the user department, which formal competitive vendor selection method will be used. Methods include:

a. **Invitation to Bid (ITB)**

An ITB is used when specifications are well-defined. The ITB shall include instructions to bidders, plans, drawings and specifications if any, a bid form, and other required forms and documents to be submitted with the bid. Under this type of solicitation, the recommendation of award is normally to the lowest responsive and responsible bidder. Life cycle costs of the commodity or equipment to be purchased can be used in evaluating which vendor is lowest responsive and responsible bidder.

b. **Request for Proposals (RFP)**

An RFP is a written request to vendors to submit proposals that describe the methodology the respondent will utilize to provide analysis, design or other professional services, design/build services, or operational services on an issue or a need the Town has specifically identified.

In most cases, and except when prohibited by State Statute, prices for the services will also be requested. The vendor's experience and qualifications, together with the proposed methodology, are evaluated and may take precedence over price

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in the procurement decision in this selection method. RFPs will generally, but not always, state the relative importance that price and any other evaluation criteria will be accorded in the vendor selection process.

c. Request for Qualifications (RFQ)

An RFQ is a formal invitation to vendors to submit a statement of their experience, education, certifications, etc. that qualify them to perform work for the Town. This approach differs from an RFP in that it places greater emphasis on the qualifications of the potential respondents, and their track record of quality performance, rather than a specific methodology they utilize. The RFQ identifies the desired minimum qualifications of the respondents, a scope of work statement, project requirements, and states the selection criteria that will be used in compiling a short list of prospective respondents for further consideration.

d. Letter of Interest (LOI)

An LOI is a formal invitation to vendors to submit a proposal. It identifies, in general terms, the work required and directs the respondents to provide a letter regarding the respondent's interest in working with the Town on the particular project(s). Respondents provide a statement of experience and qualifications of key personnel. Costs or fees are not part of the response. Architectural and engineering services that are outside the scope of the CCNA are examples of services for which this type of solicitation is sometimes used.

3. COMPETITIVE VENDOR SELECTION PROCESS

a. Responsiveness of the Proposal/Response

The Purchasing Administrator will first review the proposals to determine if each proposal is responsive to the requirements of the solicitation. The Purchasing Administrator has the authority to notify the responder of non-substantive omissions in their proposal and give them a short deadline to correct those omissions. The Purchasing Administrator will determine which proposals are deemed non-responsive and those respondents will be notified in writing of the Purchasing Administrator's decision.

b. Evaluation Committee

Evaluation of the responsive proposals will normally be completed by an evaluation committee that is composed of individuals who have knowledge of, or experience with the project, issue or

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profession that is the subject of the procurement. The evaluation committee members are appointed by either the Town Manager or Assistant Town Manager. The Purchasing Administrator facilitates the evaluation process, but is normally not a voting member of the evaluation committee.

Because the Town has a very small staff, there may be circumstances where it is appropriate for the Purchasing Administrator to be a member of the evaluation committee. In such cases, the Town Manager shall appoint another staff member to fulfill the facilitation and communication with respondents roles normally carried out by the Purchasing Administrator.

c. Requests for Clarification or Additional Information

During the evaluation process, the Purchasing Administrator or members of the Evaluation Committee may need or be assigned to communicate with respondents for the purpose of clarification to assure full understanding of the proposals and conformance to the solicitation requirements.

d. Shortlist & Ranking of Responders by Evaluation Committee

Depending on the number of responses received, the Town may short-list respondents in order to facilitate more in-depth analysis of a manageable number of responses. These short-listed respondents may or may not be interviewed by the evaluation committee. The short-listed firms may either:

- i. Be ranked in order of the committee's evaluation of the respondents' experience, qualifications and, in some cases, the quality of their presentation to, or discussions with, the committee.
- ii. Be ranked as a group, all of which are determined to be qualified to perform work for the Town.

In certain circumstances such as where continuing agreements are sought, multiple firms may be determined to be qualified and are placed on a qualified vendors list for the types of services identified in the solicitation.

e. Approval of Ranking and Work Awards

This ranking is presented for approval to the appropriate authority (Commission or Town Manager). Once approved, staff will negotiate a contract with the number one ranked respondent(s) or,

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failing to reach agreement, with the next ranked respondent and then submit the agreement for execution by the appropriate authority.

F. **EXCEPTIONS**

Exceptions to these purchasing policies and goods and services that are exempt from the requirement for competitive vendor selection processes are detailed in Section IV of this Purchasing Manual.

G. **SOLICITATION PROCESS**

1. **Specifications**

In appropriate circumstances, the specification of goods/services/property to be procured by the Town should be drafted to encourage vendors to propose reasonably comparable alternatives that ensure the Town obtains the best possible price while avoiding terms that are vague or subject to varying interpretations.

The Purchasing Administrator shall strive to assure that all specifications issued by the Town provide for free and open competition among all vendors and preclude lock-in of any vendor or brand, unless items are purchased under approved sole source or sole brand provisions. Any specification may eliminate some vendors or brands if the vendor or brand does not meet the legitimate needs of the Town.

The Purchasing Administrator, Town Manager, or Assistant Town Manager will ensure the solicitation documents include specifications that are well-defined. The user department is responsible for developing specifications, such as bid specifications, scope of service and evaluation criteria. As the prime user, the department is best aware of any special characteristics or any new developments in the field, as well as the technical specifications of the product or service. The Purchasing Administrator may review specifications and make suggestions, such as alternate products, when appropriate.

There are many different types of specifications; however, all specifications regardless of the type must be clear and complete. The specification must clearly and completely express the needs of the Town in such a manner that the vendor will have the same understanding as that of the Town in what is required. The following are some of the more common type of specifications:

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- a. *Qualified Products or Acceptable Brands List.* These lists are developed only where it is not possible to write specifications adequate to identify the quality and performance required of the goods or services to be purchased. Acceptable brand lists are also used when tests necessary to determine compliance with technical specifications are lengthy, costly or require complicated technical equipment.
- b. *Specification by Brand or Trade Names.* Brand or trade names may be used where brand name products have been found to be superior to others for the purpose intended, or when their composition is secret, unknown or patented. The use of brand names establishes a quality standard but is not intended to limit or eliminate competition. Whenever this method of establishing specifications is used, the specifications should explicitly provide for equivalents. It is incumbent on a vendor offering equivalent goods/services to those specified to document that the goods or services are, in fact, equivalent.
- c. *Specification by Blueprint or Dimension Sheet.* Specifications of construction projects (such as buildings, streets, custom-built cabinets, furniture, machines, or other equipment) should be written to reference the blueprints or dimension sheets prepared by the project's engineer, architect, designer or equivalent. Such specifications shall provide an appropriate method of evaluating all bids, and later of verifying the quality of the construction work or the equipment or fixtures delivered.
- d. *Specifications by Performance, Purpose or Use.* Specifications that include a set of performance criteria for the goods or services required are appropriate as they will provide flexibility for vendors to design products or programs specifically aimed at meeting the purpose or performance standards the Town has established.
- e. *Specification by Identification with Industry Standards.* Specifications will often refer to industry-wide standards or to standards set by other public jurisdictions. Some examples of these would be lumber grading, standards set by the asphalt or concrete industries, or by referencing standard specifications of the Florida Department of Transportation or other State or Federal agencies.

2. **Public Notice**

Public notice of the ITB, RFP, RFQ or LOI shall be given not less than ten (10) calendar days prior to the date set forth in the notice for the opening

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of the responses. The Town will publicly advertise the procurement in the manner best suited for the particular commodity or service being acquired and in accordance with State law. Being listed on the Town's website is considered public notice for these purposes. The notice shall state the place, date, and time of the opening of the responses.

When, in the sole discretion of the Town Manager, the available RFP specifications do not promote/permit full and free competition among potential vendors without prior technical evaluation and discussion, a two-step process may be used. In the first step, the Town would issue an RFP to which interested potential vendors respond with necessary information and/or non-priced technical offers. Then, those potential vendors who are determined by the Town to have submitted technically acceptable offers are invited to submit sealed prices based on their technical offers.

3. **Response Submissions**

All responses shall be submitted in sealed envelopes which shall be clearly identified with the name and number of the solicitation and the respondent's name on the exterior of the envelope and delivered to the Town Clerk's office.

4. **Bid/Proposal Bond, Performance Bond**

Bid bonds (also known as proposal bonds) may be required in conjunction with responses to guarantee the responders will not withdraw their bids for a specified time period. Should the respondent withdraw their bid, they may be required to forfeit the bond amount.

Bid bonds shall be required for all construction projects when the total contract price is estimated to exceed seventy-five thousand dollars (\$75,000). In all other cases the Town reserves the right to require a bid or proposal bond when deemed necessary by the Purchasing Administrator. The successful bidder may be required to submit a performance bond in the amount of One Hundred Percent (100%) of the contract amount awarded within ten (10) days after being notified the contract has been awarded.

Bid bonds shall be by cash, a certified or cashier's check, a surety bond or an irrevocable standby letter of credit in an amount not less than five percent (5%) of the amount of response. If a surety bond is provided, the surety company must be authorized to do business as a surety in Florida.

Per *Florida Statutes Section 255.05*, a payment bond and a performance bond with any surety insurer authorized to do business in Florida or prescribed alternative collateral will be required by the Town whenever a

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contract for the construction of a public building exceeds two hundred thousand dollars (\$200,000).

Additional qualifications for surety bond insurers for certain construction-related consultants are set forth in *Florida Statutes Section 287.0935* and must be complied with, if applicable.

5. **Cancellation or Postponement of Response Opening**

Any time prior to the bid opening date and time, the Purchasing Administrator may cancel or postpone the bid opening or cancel the bid document in its entirety.

6. **Opening of Responses**

Responses shall be opened by the Purchasing Administrator/designee at the time and place designated in the public notice. The opening shall be witnessed by the Town Clerk or designee. No late responses shall be accepted or opened if received after the date and time specified in the public notice. All late responses shall be returned unopened to the bidder.

For RFP, RFQ and LOI responses, a list of the names of all responders shall be read aloud by the Purchasing Administrator/designee or the Town Clerk.

All response documents shall become the property of the Town and will not be returned to the responders. When the contract is awarded, all documentation produced as part of the contract shall become the exclusive property of the Town.

For an RFP, RFQ or LOI response, the Purchasing Administrator or designee, may, at the evaluation committee's request and within a reasonable time period after the response opening, request additional or corrective information of the responders concerning his/her responsibility to perform, and the responder may voluntarily, after bid opening, provide additional or corrective information concerning his/her responsibility as a vendor.

It shall be the practice of the Town that ITB submittals shall be publicly opened in the presence of witnesses and read aloud to include the name of the bidder, their city and state, the ITB number, and total price bid.

The Town reserves the right to accept or reject any or all bids or parts of bids, to waive irregularities and technicalities, and to request rebids on required goods or services. The Town also reserves the right to award

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the contract on such goods or services the Town deems will best serve its interests or to elect not to proceed with procuring the goods/services.

7. Evaluation Process

- a. Bids shall be unconditionally accepted without alteration or correction, except as described below. Bids shall be evaluated based on the requirements set forth in the bid document, which may include criteria to determine acceptability, such as inspection, testing, quality, workmanship, delivery, service, price, completion date, and/or suitability for a particular purpose.
- b. Corrections or withdrawal of inadvertently erroneous bids shall be permitted up to the time of bid opening. After bid opening, no changes in bid prices or other provisions shall be permitted; provided however, the Purchasing Administrator shall have the authority to waive minor irregularities as provided by law or correct obvious calculation errors.
- c. Those criteria that will affect the bid price and be considered in evaluation for award, excluding cash discounts, shall be objectively measurable, such as trade discounts, transportation costs, and total or life cycle costs. The bid document shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluations that are not set forth in the bid document.
- d. All quotations and proposals must be signed with the vendor name and by an officer or employee having the authority to bind the vendor with that signature. Bids having any erasures or corrections must be initialed by the bidder in ink. Bids shall be typewritten or written with pen and ink. Signatures must be original and in ink.
- e. This signed bid shall be considered an offer on the part of the bidder, which offer shall be deemed accepted upon authorized approval by the Town. In case of default on the part of the bidder after such acceptance, the Town may take such action as it deems appropriate including legal action for damages or specific performance.
- f. The successful bidder shall NOT assign, transfer, convey, sublet or otherwise dispose of said contract, or his right, title or interest in or to same, or any part thereof, without previous consent in writing from the Town.

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- g. Bids on individual items must include unit prices as well as total prices. Where a variance exists on the bid form between the unit price and the extension or whenever other discrepancies are noted between prices on the bid form and prices quoted elsewhere in the bid package, the unit price quoted on the bid form shall prevail. Numbers that are spelled out shall have precedence over numerals.
- h. Unless otherwise stated, the quantities or usage shown in the bid document are estimated only. No guarantee or warranty is given or implied by the Town to the total amount that may be or may not be purchased from any resulting contracts. These quantities are for bidder information only and will be used for tabulation and presentation of bid and the Town reserves the right to increase or decrease quantities as required.
- i. Bidder warrants by virtue of bidding that prices and terms and conditions in the bid will be firm for acceptance and will not be withdrawn for a period of ninety days (90) from the date of the bid opening or for the period specified in the solicitation document, whichever is greater. Prices shall be firm with no escalator clauses.
- j. The Town is exempt from sales taxes imposed by the State or Federal Government, as provided by law. Exemption certificates will be supplied upon request.
- k. Whenever materials or equipment are specified or described in the bid document by using the name of a proprietary item or the name of a particular supplier, the naming of the item is intended to establish the type, function and quality required. The bidder will be required to submit sufficient information to allow the Town to determine that the material or equipment proposed is equivalent to that name. The Town will be the sole judge concerning the merits of proposed material or equipment.
- l. All goods or equipment bids shall comply with all applicable Federal, State and local laws relative thereto including all safety-related items as required by the Federal Occupational Safety and Health Act (OSHA).
- m. Generally, all contracts awarded by the Town shall include the requirement that the successful bidder shall defend actions or claims brought and hold the Town harmless from loss, cost or damage by reason of actual or alleged violations of Federal, State

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or local law in the design or manufacturing of equipment and/or materials.

8. **Award of Contract**

Contracts shall be awarded to the lowest, responsive, responsible Bidder. In determining the “lowest responsive, responsible Bidder,” in addition to price, the Town may consider:

- a. The ability, capability and skill of the Bidder to perform the contract or provide the service required. Providing the required service includes, but is not limited to, an adequate amount of insurance coverage as set by the Purchasing Administrator. Documentation of coverage is through the Purchasing Administrator’s acceptance of the Certificate of Insurance.
- b. Whether the Bidder can perform the contract or provide the service promptly or within the time specified, without delay.
- c. The character, integrity, reputation, judgment, experience and efficiency of the Bidder.
- d. The quality of performance of previous contracts or services with the Town and with other entities.
- e. The previous and existing compliance by the Bidder with laws and ordinances relating to the contract or service.
- f. The sufficiency of the financial resources and ability of the bidder to perform the contract to provide the service.
- g. The quality, availability and adaptability of the supplier, or proposed contractual services to the particular use required.
- h. The ability of the Bidder to provide future maintenance and service for the use of the subject of the contract and the associated maintenance cost.
- i. The number and scope of conditions attached to the bid or quote.
- j. Bidder’s history of default on prior public contracts.
- k. Bidder’s history of litigation or arbitration.
- l. Life cycle costs of the equipment or product bid compared to the life cycle cost of equipment or products bid by other Bidders.
- m. Durability of, safety or security of, and warranties for the equipment or product bid or quote compared to those same traits of equipment or products of other Bidders.

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A record should be maintained by the Purchasing Administrator of bidding information on materials in regular use. Such records shall include a Bidder's list, specifications, previous quotations and bids received.

Vendors who believe they have been unfairly treated during the formal bidding process may file a complaint with the Town Manager. Complaints shall be submitted in writing within ten (10) days after the aggrieved vendor knows or should have known the facts giving rise thereto. The written protest must be accompanied by a filing fee in the form of a money order or cashier's check payable to Lauderdale-By-The-Sea in an amount equal to ten percent of the contract value, which resulted from an RFP, ITB, LOI or RFQ, but not greater than five thousand dollars (\$5,000). The filing fee shall guarantee the payment of all costs which may be adjudged against the protester in any administrative or court proceeding or in investigating the protest.

The Town Manager or designee shall investigate as far as resources allow and determine the validity of the complaint. If the complaint is not resolved by mutual agreement of the Town and the vendor, the Town Manager or designee shall promptly issue a decision in writing after consulting with the Town Attorney. The decision shall state the reasons for the action taken. A copy of this decision shall be mailed or otherwise furnished immediately to the complainant, and any other party involved.

If a protest is upheld by the Town, the filing fee shall be refunded to the protester.

Following the identification of the lowest responsive, responsible bidder and the resolution of any written vendor protest, the Town Manager shall recommend to the Town Commission that a contract be awarded to the selected vendor.

H. CONSULTANTS' COMPETITIVE NEGOTIATION ACT

Florida Statutes Section 287.055, known as the Consultants' Competitive Negotiation Act (**CCNA**), requires that acquisition of professional architectural, engineering, landscape architectural, design criteria, or surveying and mapping services must be made in compliance with the Consultants' Competitive Negotiation Act if the professional services are for (i) a construction project estimated to cost more than \$325,000, or (ii) a design/planning/study activity where the fee for professional services is more than \$35,000. The Town's purchasing policy shall automatically be modified to reflect any amendments made to *Florida Statutes Section 287.055* and the purchasing thresholds set forth in *Florida Statutes Section 287.017*.

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Purchases of professional services covered by the Consultants' Competitive Negotiation Act must be made from vendors approved by the Town Commission after the following actions take place:

1. Issuing an RFQ without requesting a price quote.
2. The RFQ solicitation shall be placed on the Town's website, and advertised in the manner best suited for the particular commodity or service being acquired or procured. The RFQ must include a general description of the project and must indicate how interested consultants may apply for consideration.
3. The Town conducts discussions with no fewer than three vendors (or one or more pre-qualified vendors from a library of continuing services contracts) regarding their qualifications, approach to the project, and ability to furnish the required services and the appropriate vendors are certified by the Town as qualified to perform the requested services.
4. Selection, in ranked order, of at least three qualified vendors (provided the Town has received responses from three vendors) using current qualifications and performance data (other than price) obtained from each vendor in response to the RFQ document (or drawn from the library of continuing services contracts), subsequent discussions and/or formal presentations if required.
5. Fee negotiations in ranked order, with the most qualified firms at compensation which the Town determines is fair, competitive, and reasonable. Alternatively, at the discretion of the Town Manager, the Town may obtain, on a cost reimbursement basis, the assistance of the Florida Department of Transportation or the Florida Department of Management Services in selecting and/or negotiating contracts with consultants covered by the Consultant's Competitive Negotiation Act.

I. SELECTION OF AUDITORS

Acquisition of financial auditing services to satisfy the annual financial audit requirements of *Florida Statutes Section 218.39* must be made in compliance with the provisions of *Florida Statutes Section 218.391*, which require that RFPs for such audit services be publicly announced and the responsive proposals evaluated and ranked by an audit committee prior to Town Commission selection of an auditor and approval of a contract.

J. PURCHASING DOCUMENTATION

1. Documenting a Purchase Request

After obtaining the required pricing information described above, the department director making the purchase shall provide to the Purchasing

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Administrator documentation of the quotes or bids received, a recommendation on which vendor is recommended and an explanation of any reasons why the lowest bid was not selected, and other information needed to complete the purchase such as the quantity, quality, price, delivery time/location, of goods, property, and/or services to be acquired and the budgeted account to be charged. The documentation should also detail other conditions of the procurement, such as service, warranty, and payment terms, and indicate that all applicable procurement requirements have been followed. It is the responsibility of the Town department to submit the purchase request sufficiently in advance of the date the goods/services are needed to allow for its timely review, approval and processing.

2. Purchase Orders

After the Town Finance Director has verified the availability of budgeted funds for the procurement and has verified that the procurement is being made in accordance with the policies prescribed in this manual, the Purchasing Administrator will generate a numbered Purchase Order for purchases in excess of \$10,000. The Purchase Order must be signed by the Purchasing Administrator and the management official who is authorized by Section III, Paragraph B-2 to approve that level of expenditure. In the event that the Purchasing Administrator is not available, Purchase Orders may be signed by the Town Manager.

The issuance of purchase orders by unauthorized individuals will not be recognized by the Town and payment of these obligations will not be approved.

The Purchasing Administrator will keep copies of all issued Purchase Orders.

It is preferred that purchase orders establish a venue for enforcement in Broward County Florida.

K. PROCUREMENTS UTILIZING LAW ENFORCEMENT TRUST FUNDS (LETF)

All purchases to be paid for utilizing LETF must comply with *Florida Statutes Section 932.7055* and must be approved in advance by the Police Chief and the Town Commission.

A copy of the Town Commission approval must be maintained by the Purchasing Administrator. LETF expenditures are restricted by *Florida Statutes Section 932.7055* to school resource officer, crime prevention, safe neighborhood, drug abuse education, drug prevention, drug treatment, complex/protracted investigation cost, additional police equipment/expertise, or federal grant matching purposes.

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L. CONTRACT ADMINISTRATION

1. Contract Compliance

After the award of any contract, the Town department using the property/goods/services, or in some cases the construction Project Manager, will ensure that both the Town and the vendor are in compliance with all terms and conditions of the contract including maintaining current insurance certificates. The procuring department will maintain a written record of the vendor's performance relating to contract requirements.

In cases where the vendor does not adhere to delivery and specifications or is in technical breach of a contract, the procuring department must attempt to rectify the situation with the vendor and maintain written record of these attempts. This written record should contain specific instances of non-compliance with contract requirements and a time frame for resolution of the issues involved as well as any change orders. The department shall provide copies of all non-compliance correspondence and records to the Purchasing Administrator.

In cases where the procuring department is unable to rectify a breach of contract with the vendor, the matter shall be turned over to the Purchasing Administrator along with all documents for resolution which may include, but not be limited to recommending to the Town Manager that the contract be canceled; suspension or debarment of the vendor; or institution of appropriate legal action through the Town Attorney.

2. Change Orders

- a. When circumstances arise that necessitate modifying a vendor's existing contract, a contractual change order may be used provided:
 - i. The changes do not substantially alter the character of the work contracted for and do not vary so substantially from the original specifications as to constitute a new undertaking. Such changes must be reasonable and conscientiously be viewed as being in fulfillment of the original scope of the contract.
 - ii. Further, such changes when viewed against the background of the work described in the contract and the language used in the specifications, must clearly be directed either to the achievement of a more satisfactory result or the elimination of work not necessary to the satisfactory completion of the contract.

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- b. Town Manager Approval. The Town Manager or designee is authorized to approve the following types of change orders determined in his/her judgment to be in the best interest of the Town, as follows:
- i. A change order decreasing the cost of the contract to the Town.

Should the decreased cost materially alter the character of the work contemplated by the contract, the nature and impact of the revision on the original character of the work under contract shall be documented in writing and signed by the vendor and the Town Manager.
 - ii. Change orders increasing the cost of the contract by a cumulative amount not to exceed fifteen thousand dollars (\$15,000) or such other dollar amount or percentage specifically authorized by the Town Commission to be within the Town Manager's change order approval authority at the time the original contract was approved by the Town Commission; provided that an appropriation exists within the project account sufficient to pay the amount of the change order.
 - iii. Change orders that do not affect the price of the contract.
- c. Town Commission Approval. Except for change orders authorized to be approved by the Town Manager as provided for in Section III (L)(2)(b) above, all other change orders must be formally approved by the Town Commission before work may be authorized to begin, and no claim against the Town for extra work in furtherance of such change order shall be allowed unless said prior approval has been obtained or the original contract with the vendor provides otherwise.

3. **Receipt of Goods and Invoice Payment**

When a Town department receives a shipment of goods that have been ordered, an inspection of the contents should be conducted to ensure that the item(s) received match what was ordered, and that it is in satisfactory condition.

An invoice, bill of lading, or packing slip should be included with the shipment and, after inspection, the department opening the shipment should mark the document "received" with the date and signature of the person inspecting the shipment. If any damage to the shipment is detected, this should be noted on the receiving slip. Damaged

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merchandise should generally not be accepted and it is the responsibility of the procuring department to resolve damage claims.

All invoices from vendors should be sent directly to the Town's Finance Department by the vendor. If a procuring department receives an invoice and that invoice identically matches the amount of a purchase order, that department should note whether the goods have been received, and whether payment can be made against the specified purchase order number. Then the invoice should be sent directly to the Town's Finance Department with the signature of the department Head indicating the invoice is authorized for payment by that department Head.

When partial shipment is made on an order, any item appearing on the vendor's packing slip and/or invoice that was not received, should be struck out or marked back order (B/O) before signing as the receiver of the goods so listed. In short, signature should be given to the vendor only for goods actually received.

4. Renewal Options or Contract Extension

Once a contract has been approved by the Town Commission, the Town Manager may exercise any extension or renewal options included in that contract after providing notice at a Commission meeting of the Manager's intent to do so, provided that the terms and conditions of the extension or renewal are consistent with the terms and conditions of the contract approved by the Town Commission.

The Town Manager may exercise any extension or renewal options included in any contract that was originally approved by the Manager and continues to be within the Town Manager's purchasing authority.

5. Temporary Extension of Contracts

At the discretion of the Town Manager, existing contracts may be extended beyond their specified expiration date for a period of up to ninety days for operational purposes if such extension is deemed by the Town Manager to be in the best interest of the Town.

Extensions beyond ninety days require the approval of the Town Commission.

M. INVENTORY/WAREHOUSE

At the discretion of the Town Manager, the Town may procure and maintain an inventory of items used on a repeat or continuing basis by one or more departments. Any such items inventoried by the Town will be purchased, warehoused, and distributed in accordance with procedures established by the

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Finance Director. Inventory records shall be maintained by an inventory custodian designated by the Finance Director.

N. CONSTRUCTION PROJECTS

1. If the cost of a purchase related to the construction, demolition, renovation, modification, or repair of any public facility, utility, building, or land exceeds twenty thousand dollars (\$20,000) then the requirements for formal competitive selection apply unless waived by the Town Commission or superseded by the special construction procurement requirements in state law.
2. The Town will comply with all state statutes applicable to Town construction projects, including, but not limited to, the following:

	<i>Florida Statutes</i>	Subject
i.	255.04	<p>Preference to home industries in building public buildings.</p> <p>Preference shall be given to material men, contractors, builders, architects, and laborers residing in Florida when constructing any public administrative or institutional building provided:</p> <p>there is no increase in cost resulting from the preference, and</p> <p>the quality of materials proposed for purchase as well as the qualifications, character, responsibility, and fitness of resident vendors is comparable to non-resident materials and/or vendors.</p>
ii.	255.20	<p>Local bids and contracts for public construction works; specification of state-produced lumber.</p> <p>Anytime a non-emergency construction project is estimated to cost more than the statutory minimum, the solicitation of bids/proposals must be publicly advertised at least once in a newspaper of general circulation in Broward County prior to the established bid opening and prior to any scheduled pre-bid conference.</p>
iii.	255.21	<p>Provide special facilities for physically disabled access</p> <p>Any building or facility intended for use by the general public which is contracted, altered, or operated as a lessee by the Town shall provide the special facilities for physically disabled access specified in Part V of Chapter 553.</p>
iv.	255.40	<p>Asbestos survey required before demolishing any building constructed prior to that date.</p> <p>The Town shall conduct an asbestos survey before demolishing any building constructed prior to September 30, 1983.</p>

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3. *Section 255.0525 - Advertisements.*

Under Florida Statutes Section 255.0525, anytime a non-emergency construction project is estimated to cost more than two hundred thousand dollars (\$200,000), the solicitation of bids/proposals must be publicly advertised at least once in a newspaper of general circulation in Broward County at least 21 days prior to the established bid opening and at least 5 days prior to any scheduled pre-bid conference. However, for all non-emergency construction projects estimated to cost more than five hundred thousand dollars (\$500,000), the public advertisement must appear at least 30 days before the established bid opening.

For purposes of Section 255.0525 only, emergency is defined as an unexpected event resulting in an interruption in delivery of an essential government service or an immediate danger to either public health/safety or loss of public/private property.

If *Florida Statutes Section 255.0525* is amended to modify the dollar thresholds for advertising, to allow for other forms of advertising, or eliminates or otherwise modifies this requirement, the Town's purchasing policy shall automatically be considered to be modified to track the statutory provisions.

4. *Section 255.20. Formal Competitive Process.*

- a. Unless specifically exempted below, *Florida Statutes Section 255.20* requires the use of a formal bidding process as previously described whenever the estimated cost of a non-emergency Town project to construct/improve a public building, structure, or other public work exceeds three hundred thousand dollars (\$300,000) in total, or exceeds seventy-five thousand dollars (\$75,000) in electrical work specifically. The Town's purchasing policy shall automatically be considered to have been adjusted to reflect Consumer Price Index adjustments to the three-hundred thousand dollars (\$300,000) total cost and seventy-five thousand dollars (\$75,000) electrical cost thresholds provided for in *Florida Statutes Section 255.20*.
- b. All contractors selected for construction projects must be appropriately licensed.
- c. The estimated cost of the project includes all non-inmate labor as well as the cost of all equipment and materials to be used in the project.

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- d. If the construction/improvement project relates to a road, bridge, street, highway, or railroad, and is estimated to cost more than two hundred fifty thousand dollars (\$250,000), the Town may:
 - i. Require that interested vendors be certified or qualified to perform such work by publishing a public notice that includes the qualification criteria in the advertisement.
 - ii. Disqualify the bid/proposal of any contractor that is ten percent (10%) or more behind on completing an approved progress schedule for the Town at the time of the RFP/bid advertisement unless FDOT considers the contractor pre-qualified and eligible.
- e. The requirements of *Florida Statutes Section 255.20* do NOT apply to:
 - i. Projects that have been through the formal bidding process without receiving any responsive bids or proposals.
 - ii. Projects involving repair or maintenance of an existing public facility.
 - iii. Projects using appropriately-licensed Town employees to perform the work (after holding any required public hearing).
 - iv. Projects undertaken exclusively as part of a public educational program.
 - v. Projects whose funding source will be disqualified or lost because the formal bidding process will take longer than the time within which the funding source must be spent.
 - vi. Projects where the successful bidder has either abandoned the job before completion or been terminated by the Town.

NOTE: The dollar amounts listed in this Section III(N) that are set by state statutes may change over time (higher or lower). Staff has the responsibility to confirm the correct and appropriate amount before proceeding with a purchase.

End of Section III

EXCEPTIONS TO GENERAL PURCHASING POLICIES

To the extent described below, and except as otherwise provided by state law, the following types of purchases are not required to comply with the General Purchasing Policies set forth in Section III of the Purchasing Manual. These purchases, while not subject to the competitive procurement requirements, are still subject to approval by the individuals authorized to approve purchases at various dollar thresholds as outlined in Section III.

A. Sole Source Procurement

Subject to written justification by the ordering department, the concurrence of the Purchasing Administrator, and the advanced approval of the Town Manager or his or her designee, non-emergency Sole Source Procurement may be awarded for a supply, service or construction item costing up to fifteen thousand dollars (\$15,000) without competition when it is determined that there is only one source available (e.g. repairs or additions from the original equipment manufacturer, only supplier in the area, franchised or licensed distributor or service, patented or proprietary item), or by negotiation where the procurement by competitive procedures is not feasible (e.g. specifications cannot be clearly drawn) nor practical (e.g. bids were solicited but no responsive bid was received from a responsible bidder).

Personal preference, convenience or “to standardize” in the absence of identifiable offsetting cost savings are not sufficient reasons for spending public funds under non-competitive conditions. Each sole source procurement must be justified in writing by the Town official/employee seeking to make a sole source procurement, and, in the case of construction/modification/alteration/repair of any publicly owned facility, recommended in writing by the project architect/engineer (per *Florida Statutes Section 255.04*). If (a) items were purchased under a competitive quote process previously, (b) additional or replacement items are being purchased and there is an aesthetic need for identical items to be utilized and (c) those identical items are only available from that same source, the purchase may be considered a sole source purchase for aesthetic reasons.

Non-emergency sole source procurements costing more than fifteen thousand dollars (\$15,000) must be approved in advance by the Town Commission. Purchases may not be artificially divided for the purpose of avoiding Town Commission approval.

B. Emergency Procurements

The Town Manager may make emergency procurements of budgeted commodities or contractual services even if the cost exceeds fifteen thousand dollars (\$15,000) when there exists any level of emergency under the Town's current Comprehensive Emergency Operations Plan or a clear and present threat to public health, property, welfare, safety or other substantial loss to the Town, provided, however that such emergency procurements shall be made with such competition as is practicable under the circumstances.

A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file. As soon as practicable, a record of the emergency procurement shall be made and shall set forth the contractor's name, the amount and type of the contract, a listing of the commodity or contractual service procured under this contract, contractor invoices/receipts and the number of the purchase order, if any.

In order to maximize the recovery of Town funds, emergency procurements for which insurance, federal and/or state (e.g. FEMA) reimbursement is anticipated should comply with the current insurance policy or federal/state program procurement requirements (e.g. 44 CFR Parts 13 and 206). Unless otherwise directed by the Town Manager, all emergency procurements shall be reviewed for reimbursement eligibility sufficiency by the Purchasing Administrator prior to the execution of an emergency procurement.

The Town Commission shall be notified of such emergency procurements in excess of fifteen thousand dollars (\$15,000) at the first Town Commission meeting held after the emergency procurement.

In any event, any increase over the original amount of an emergency procurement reported to the Town Commission exceeding ten percent (10%) must be reported to the Town Commission to be noted for the record.

C. Grants

In any situation where compliance with the Town's General Purchasing Policy will place the Town in conflict with the terms of any grant, the Town shall comply with such grant requirements which are mandatorily applicable and which are either not reflected in the General Purchasing Policies or are contrary to provisions of the General Purchasing Policies. This includes, but is not limited to, Federal Emergency Management Agency (FEMA) disaster recovery assistance per 44 CFR Parts 13 and 206.

D. Professional Services

Subject to compliance with applicable state law, professional services in amounts that exceed fifteen thousand dollars (\$15,000) may be exempted from the competitive procurement requirements by the Town Commission upon a finding that such procurement is in the best interest of the Town.

At the discretion of the Town Manager, contracts for professional services are exempt from the competitive procurement requirements in amounts up to fifteen thousand dollars (\$15,000).

Any applicable state law, such as the auditor selection procedures (*Florida Statutes Section 218.391*) and *Florida Statutes Section 287.055* (The Consultants' Competitive Negotiation Act), shall be followed if the services being acquired are of a nature and amount that would cause them to be subject to those statutory provisions.

The Town Manager is authorized to enter into multiple awards, open-end, fixed, or any other legal contracts for professional services not covered by *Florida Statutes Section 218.391* or *Florida Statutes Section 287.055* (Consultants' Competitive Negotiation Act) by issuing purchase orders to vendors with continuing budgeted contracts approved by the Town Commission.

E. Cooperative Purchasing (Piggybacking)

1. All purchases of commodities or services under the provisions of federal, state, or a state's political subdivisions' purchasing contracts shall be exempt from the requirements of Section III, provided that the following criteria are all satisfied:
 - a. The terms and conditions of the original contract (including any user surcharge pursuant to *Florida Statutes Sections 287.056 and 287.1345*) are satisfactory to the Town.
 - b. The original contract is current and resulted from a competitive vendor selection process.

- c. The Department Director or Purchasing Administrator has performed a market survey to determine if the prices of the original contract are fair and reasonable.
 - d. The Town Commission authorizes such procurement when the cost of the commodities or services exceeds the Town Manager's purchasing authority.
 - e. In utilizing other agencies' contracts, the Town may order lesser quantities than provided in the contract on which the Town is piggybacking as long as the unit cost is the same or less than it was in the original contract. Likewise the Town can negotiate with the vendor a cost lower than that in the contract being piggy-backed in the event that the amount of work that would need to be done in a smaller municipality such as the Town is reasonably assumed to be less than required for a larger city or organization.
 - f. The Town may exercise any extension options provided in the original contract when utilizing other government agencies' contracts even if the other government agency with the original contract does not exercise the extension option.
2. The Town may procure goods and services via contracts that result from the Town's participation in cooperative purchasing groups with other governmental agencies or the Town's use of contracts from state or national cooperative purchasing networks that awarded contracts through open competition.

F. Travel, Meals and Entertainment

At the discretion of the Town Manager or designee, the Town will pay for the following reasonable and necessary expenses associated with travel and transportation resulting from an employee's or other authorized person's attendance at any meeting, seminar, conference or convention which has been properly approved as having a demonstrated benefit to the Town.

Payments made under this policy are subject to the following limitations and restrictions:

1. **Airfare** is restricted to exclude the cost of first or business class fare. Reservations should be made as far in advance as possible to allow for the lowest possible fare. Quotes for fares shall be obtained from at least three airlines. The lowest fare with a reasonable travel time should be selected.

It is not permissible to select a higher fare ticket because the traveler has a loyalty affiliation with a particular carrier. If the traveler wishes to utilize an airline with which they have a loyalty affiliation, they must reimburse

the Town the difference between that fare and the lowest fare available on other airlines with a reasonable travel schedule.

The fare search results from an on-line travel website that displays multiple airlines fares should be printed and submitted with the request for travel expense reimbursement. If the traveler booked an airfare that was higher than was reasonable given the alternatives, they shall only be reimbursed for the lowest fare that was available with a reasonable travel time. The Town Manager or Assistant Town Manager shall make the determination on what is a “reasonable travel time” in such cases.

2. **Automobiles** may be rented for remote, extended or emergency travel, subject to the following:
 - a. The location of the meeting, seminar, conference, or convention is different than that of the lodging accommodations, or
 - b. The rental of the automobile is less expensive than other forms of transportation between the lodging and meeting place plus the cost of transport to and from the airport, or
 - c. Rental car tariffs under the state contract must be consulted and used if they are lower than rates that can be attained through other sources.
3. **Insurance** is not an allowable expense unless approved in advance of the trip by the Purchasing Administrator.
4. **Parking and toll** reimbursement will be allowed provided that the costs are documented and reasonable. Parking at airport or near-airport parking lots will be reimbursed only if the total cost is less than the cost of taxi fare to and from the traveler’s home. Transfers from airport to hotel will be reimbursed if submitted upon return from the trip with a receipt.
5. **Registration** payments will be made directly by the Town or reimbursed to the employee. Registration fees that exceed the advanced registration fees must be approved by the Town Manager.
6. **Meals** for other than local travel (Dade, Broward and Palm Beach counties) will be paid in accordance with the prevailing per diem established by the Internal Revenue Code Continental U.S. rate for meals and incidental expenses, if receipts are not submitted, reduced proportionately for partial days or meals provided through registration of airfare. Such payment is inclusive of all meal-related expenses including non-alcoholic drinks, and tips. The Town Manager can approve additional expenditures substantiated by receipts when the expenditures have a demonstrated benefit to the Town.

Per Diem amounts paid will be reduced by one-third if the employee begins travel after 9:00 a.m. and/or ends travel before 6:00 p.m. Additionally, all meals otherwise provided in the room rate or in the conference registration fees or prepaid by the Town, exclusive of continental breakfasts, will reduce per diem payments.

Employees will not be entitled to any meal reimbursement for local travel except for meals at professional association meetings (Dade, Broward and Palm Beach counties) unless the employee attended to other business during the time of the pre-paid meal and the Town Manager approves that exception.

7. **Lodging** for traveling employees will be reimbursed for the conference or seminar hotel or, in the case of travel not associated with a seminar or conference, at a mid-range priced hotel near the site where the Town's business is being conducted. All reasonable efforts shall be made to have the hotel honor the Town's tax exempt status.
8. **Mileage** reimbursement payments to employees who use their personal vehicle for local travel (Dade, Broward and Palm Beach) will be made at the amounts and limits set by the Internal Revenue Code of the United States of America unless the employee is assigned a Town vehicle or is paid an automobile allowance. The cost of gasoline for a Town vehicle will be reimbursed upon presentation of receipts. Employees who are provided an automobile allowance may not also use a Town vehicle for travel or transportation purposes except in under circumstances approved by the Town Manager. Employees seeking payment for use of their personal vehicle must submit a properly completed Claim for Mileage Reimbursement form to the Purchasing Administrator.
9. **Tips.** Employees may be reimbursed for small, customary tips for assistance with luggage or hotel services etc. without being required to provide a receipt.
10. **A Travel Expense Statement** must be completed before and/or after attending meetings, seminars, conferences, and conventions, as documentation for all related travel and transportation costs as well as the costs of registration. The Travel Expense Statement must be submitted for approval to the Purchasing Administrator within two (2) weeks of return for all types of travel.

Travelers who fail to submit the Travel Expense Statement will be responsible for all costs advanced for the travel. Receipts for all expenses for which the employee is seeking reimbursement, or was advanced funds for travel, must be attached to the Travel Expense Statement. Any incomplete form will be returned by the Purchasing Administrator to the originating department for correction.

It is the responsibility of the originating department to make sure all paperwork is properly submitted in sufficient time to allow for all approvals and to allow the Finance Department adequate time to prepare advance checks for the traveler.

If an employee who was advanced funds for travel does not submit receipts documenting the expenditure of those funds in compliance with these policies, the employee will be required to reimburse the Town for funds not documented in a properly submitted travel expense report.

G. Purchasing Card (P Card)

Upon approval of the Town Manager and after execution of a Purchasing Card Program Employee Agreement, the Finance Director will issue a Town credit card for use by the named employee in making purchases on behalf of the Town. The Town credit card may only be issued to Department Directors and employees of higher rank than Department Directors and is subject to the following additional restrictions.

1. The Purchasing credit card may be used only by the employee whose name is embossed on the card. The cardholder is responsible and accountable for all transactions that occur on his/her card.
2. The purchasing credit card is to be used for Town-authorized purchases only. The purchasing credit card should not be used for any personal use and any such accidental use will require immediate reimbursement to the Town. Personal use of the purchasing credit card that is not disclosed to the Town Manager or Finance Director following discovery of the error and reimbursed will result in disciplinary action that may include dismissal and/or criminal charges.
3. A purchasing credit card (p-card) will have a single purchase limit and 30-day purchase limits for each cardholder established by the Town Manager. Charges to the p-card must follow purchasing rules with required documentation. Exceeding these limits will be considered abuse of the Purchasing Credit Card Program and may result in cancellation of the card, disciplinary action, or both.
4. The purchasing credit card must be kept in an accessible but secure location. The purchasing credit card account number must be kept confidential.
5. All purchasing credit card transaction documentation must be submitted to the Finance Director for matching to the monthly credit card statement, to review the compliance of the charge with purchasing policies, the designation of the Town line item account to be charged, and to determine if adequate funds are available to cover the expense. Failure to submit such documentation may result in the cancellation of

purchasing credit card privileges at the discretion of the Town Manager or designee.

The Town may participate in a municipal consortium that entitles it to a rebate on purchases charged to Town credit cards.

H. Exempt Items

The following types of expenditures are not subject to the provisions of Section III of this Purchasing Manual and do not require the use of a Purchase Requisition or Purchase Order.

1. Budgeted utility bills for electricity, natural gas, telephone, water, sewer, or garbage/trash collection.
2. Health-related insurance must be competitively bid per Fla. Stat. Section 112.08, and extensions shall be as provided for in the contract that results from the bid.
3. Property, liability, automobile, or workers' compensation insurance premiums can be extended with increases of no more than 5% per year without being rebid, but competitive quotes for these insurance policies should be obtained at a minimum of every three years.
4. Budgeted payments of principal and interest or lease obligations originally approved by the Town Commission. Budgeted pension contributions and deferred compensation contributions. Unemployment compensation billings from the State of Florida.
5. Remittance of taxes or fees collected on behalf of other governmental entities. Purchase of investment instruments that are made in accord with the Town's investment policy.
6. Budgeted services that involve special skill, ability, training, or expertise of a unique, original or creative nature (such as musicians, performers, speakers).
7. Legal services.
8. Payments made under order of a court determined by the Town Attorney to have competent jurisdiction, or settlements of legal claims where the Town Manager deems it is more cost-effective to settle such claims than to incur the legal costs and time inherent in defending the Town. However, such settlements are subject to the approval thresholds set out in Section III by dollar amounts.
9. Advertising costs. This includes, but is not limited to, advertising for procurements, legal notices, recruitment of staff, special events, and the cost of advertising to market the Town.

10. Contracts for grants, services, goods or shared services with other governmental entities or not-for-profit organizations provided that the prices being paid for such goods or services are reasonable and competitive with the marketplace, or that such contracts assure security or continuity of service that is deemed essential, or when services are needed on a temporary basis and does not warrant the cost to go through a formal procurement effort.
11. Use of temporary service providers or independent contractors to fill vacant, budgeted staff positions provided that funds are budgeted to cover these expenses.
12. Payments made to non-profit organizations authorized by the Town Commission.

I. Open/Blanket Purchase Orders

Open/blanket purchase orders may be issued by the Purchasing Administrator only for recurring budgeted procurement of indefinite unspecified types, quantities, and/or unit costs of goods or services from a specified vendor within the current fiscal year on an “as needed” basis. However, individual open/blanket purchase orders for more than two thousand dollars (\$2,000) are subject to the required documentation and thresholds. Also, recurring budgeted procurements of similar goods or services during each fiscal year shall be aggregated for the purpose of applying the purchase approval requirements.

J. Real Estate Acquisition

The purchase of real property is governed by Florida Statutes Section 166.045, as amended from time to time.

The following land acquisition procedures shall be employed whenever the Town seeks to acquire, by purchase, any real property.

1. Prior to initiating any negotiations for the acquisition of any real property with the property owner, the Town shall obtain a written appraisal performed by a state certified real estate appraiser with an MAI designation. Two (2) appraisals are required when the value of the first appraisal exceeds two hundred fifty thousand dollars (\$250,000). Appraisers selected to appraise real property pursuant to this Section shall submit an affidavit substantiating that the appraiser has no vested or fiduciary interest in the property that is the subject of the appraisal.
2. Appraisal reports, offers and counter-offers are exempt from the provisions of *Florida Statutes Section 119.07(1)* (Public Records Law) for a period of time as provided in *Florida Statutes Section 166.045*, as amended from time to time.

3. No negotiations may be commenced or offer or counteroffer made by the Town for the acquisition by purchase of real property without prior authorization of the Town Commission.
4. Upon commencement of negotiations, the Town shall inform the property owner, in writing, that all agreements for the purchase of real property are subject to approval by the Town Commission.
5. Any agreement by the Town to purchase real property shall be submitted to the Town Commission for approval at a public meeting after thirty (30) days public notice. Notice of the proposed purchase of real property shall be published in a newspaper of general circulation in the Town.
6. Evidence of marketable title in the form of title insurance or an abstract of title with title opinion shall be provided to the Town, by the property owner at the property owner's expense, not later than ten (10) calendar days prior to the public hearing.
7. If the agreed purchase price exceeds the average appraised price of the two appraisals, the governing body is required to approve the purchase by a majority-plus one vote of the Town Commission. (See Section 166.045(1)(b), Fla. Stat.).
8. In order to prevent the premature disclosure of the Town's interest in acquiring a specific parcel of real estate, the Town Manager may expend up to thirty thousand dollars (\$30,000) on related appraisals, and environmental studies without Town Commission approval.

K. Leasing Town-Owned Real Property

The Town shall have a market analysis done of prevailing market lease rates for like or similar property in advance of leasing Town-owned property, when such lease shall be for a period of two years or more. The Town is not obligated to attain those market rates in the lease, but the market lease rate analysis shall be provided to the Town Commission at a public meeting at which the proposed lease is presented for approval.

Sidewalk café leases, encroachment agreements, and parking space leases are exempt from this requirement.

L. Waiver of Purchasing Procedures

The Town Commission may waive Town purchasing requirements when they find that an alternative purchasing method is in the best interest of the Town.

End of Section IV

ASSET DISPOSAL

A. Confiscated, Unclaimed or Abandoned Property

Unless Florida Statutes or grant agreements provide otherwise (e.g. property subject to *Florida Statutes Chapter 717*), all confiscated, unclaimed, or abandoned property coming into the possession of the Town, or any property other than real property (improved or unimproved) owned by the Town which has become obsolete or which the Town has no need of, shall be disposed of in whichever of the following ways is determined by the Town Manager or designee to be in the best interest of the Town.

1. Transfer to another governmental or non-profit entity with the approval of the Town Commission.
2. Trade-in on new property.
3. Sale at a public auction conducted by a qualified auctioneer.
 - a. In the event of a physical, public auction, the Purchasing Administrator shall establish procedures to assure control of the property to be auctioned and provide an accounting of the auction results.
 - b. The Town Clerk shall advertise the date, time, and location of the physical, public auction at least ten (10) days in advance of the auction date. The advertisement may be made on the Town website, through flyers or mailings, or through a newspaper advertisement or a combination of those methods. The value of the equipment and property to auction shall be considered in determining the extent and methods of advertising to be employed.
 - c. The Purchasing Administrator or designee must be present at the auction during the sale of Town property, except in the case of an internet auction.

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- d. The contract with the auctioneer shall require that the auctioneer shall make payment to the Town within fifteen (15) days from the date the auction is held. In addition to the payment, the auctioneer shall provide the Town with sales receipts showing tag number, sale price and to whom each item was sold.
4. The Purchasing Administrator shall research and utilize online auctions as an option for disposal of Town property excluding real property, where appropriate. Town staff shall make some assessment of the value of the property to be auctioned prior to the online auction and set a minimum bid price.

B. Real Property

The following bidding procedures shall be employed whenever the Town seeks to sell and convey any real property belonging to the Town.

1. Prior to advertising for bids on Town-owned real property, the Town shall obtain at least one written appraisal performed by a state certified real estate appraiser with an MAI designation. Appraisers selected to appraise real property pursuant to this Section shall, prior to contracting with the Town for appraisal services, submit an affidavit substantiating that the appraiser has no vested or fiduciary interest in the property which is the subject of the appraisal.
2. Public notice of the invitation to bid calling for bids for the purchase of the subject real property shall be published once a week for at least two (2) weeks in a newspaper of general Broward County circulation.
3. The contract for purchase shall be awarded to the highest bidder whose bid meets the requirements and criteria set forth in the invitation to bid and instructions to bidders unless the Town Commission rejects all bids because they are too low.
4. Bid security shall be required for all bids for the purchase of Town-owned real property in an amount equal to ten percent (10%) of the highest appraisal value of the property.
5. Disposal of the Town-owned El Prado property is subject to the restrictions contained in Section 7.2 of the Town Charter.

C. Disposal of Surplus, Obsolete, or Damaged Equipment

1. The Town Manager or designee shall determine whether equipment is surplus, obsolete or damaged, and shall determine the method of disposing of such equipment.

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2. Town staff may discard surplus, obsolete or damaged equipment that has an estimated auction value of less than \$30.
3. Town staff may sell metal and other items that have recyclable value to scrap metal dealers, scrap electronics dealers, etc. after verifying and documenting that the price being paid is competitive with the prevailing local market rates.
4. Such equipment may be transferred to another governmental or non-profit entity with the approval of the Town Commission.
5. Such equipment may be used as a trade-in on new equipment.
6. Such equipment can be sold at a public auction conducted by a qualified auctioneer.
 - a. In the event of a physical, public auction, the Purchasing Administrator shall establish procedures to assure control of the property to be auctioned and provide an accounting of the auction results to the Town Manager.
 - b. The Town Clerk shall advertise the date, time, and location of the physical, public auction at least ten (10) days in advance of the auction date. The advertisement may be made on the Town website, through flyers or mailings, or through a newspaper advertisement or a combination of those methods. The value of the equipment and property to auction shall be considered in determining the extent and methods of advertising to be employed.
 - c. The Purchasing Administrator or designee must be present at the auction during the sale of Town property, except in the case of an internet auction.
 - d. The contract with the auctioneer shall require that the auctioneer shall make payment to the Town within fifteen (15) days from the date the auction is held. In addition to the payment, the auctioneer shall provide the Town with sales receipts showing tag number, sale price and to whom each item was sold.
7. The Purchasing Administrator shall research and utilize online auctions as an option for disposal of Town property excluding real property, where appropriate. Where practical Town staff shall make an assessment of the value of the property to be auctioned prior to the online auction and set a minimum bid price.

End of Section V and end of Purchasing Manual